

AMENDED IN ASSEMBLY APRIL 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 366

Introduced by Assembly Member Holden

February 14, 2013

An act to amend Section 8282 of the Public Utilities Code, relating to women, minority, and disabled veteran business enterprises.

LEGISLATIVE COUNSEL'S DIGEST

AB 366, as amended, Holden. Women, minority, and disabled veteran business enterprises.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical, gas, water, and telephone corporations. Existing law authorizes the commission to establish rules for all public utilities, subject to control by the Legislature.

Existing law directs the commission to require every electrical, gas, water, wireless telecommunications service provider, and telephone corporation with annual gross revenues exceeding \$25,000,000, and their regulated subsidiaries and affiliates, to implement a program developed by the commission to encourage, recruit, and utilize minority-, women-, and disabled veteran-owned business enterprises, as defined, in the procurement of contracts from those corporations or from their regulated subsidiaries and affiliates, and to require the reporting of certain information. Existing law requires the commission, by rule or order, to adopt criteria for verifying and determining eligibility of women, minority, and disabled veteran business enterprises for procurement contracts. The commission, by its rulemaking authority, has adopted General Order 156, applicable to certain electrical, gas,

and telephone corporations, to effectuate these requirements. For the purposes of these provisions, existing law defines a minority business enterprise ~~as a business enterprise that is at least 51% owned by a minority group or groups; or, in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more minority groups, and whose management and daily business operations are controlled by one or more of those individuals.~~ *women business enterprise, and disabled veteran business enterprise.*

This bill would revise the definition of a minority business enterprise by providing that a minority business enterprise means that at least 51% of the business enterprise, or at least 51% of the stock in the case of a publicly owned company, is owned by one or more minority groups, or that the management and daily operations of the business are controlled by one or more members of a minority group.

This bill would revise and recast these definitions.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8282 of the Public Utilities Code is
2 amended to read:
3 8282. For the purposes of this article, the following definitions
4 apply:
5 (a) “Women business enterprise” means a business enterprise
6 ~~that whose management and daily business operations are~~
7 ~~controlled by one or more women and is either at least 51 percent~~
8 ~~owned by a woman or women; or, in the case of any publicly~~
9 ~~owned business, has a board of directors whose membership~~
10 ~~includes at least 51 percent of the stock of which is owned by one~~
11 ~~or more women; and whose management and daily business~~
12 ~~operations are controlled by one or more of those individuals.~~
13 *women, and did so for at least five years prior to the certification*
14 *of the publicly owned business as a women business enterprise.*
15 (b) “Minority business enterprise” means a business enterprise
16 ~~that whose management and daily business operations are~~
17 ~~controlled by one or more members of a minority group and is~~
18 ~~either at least 51 percent owned by a minority group or groups;~~
19 ~~or, in the case of any publicly owned business, has a board of~~
20 ~~directors whose membership includes at least 51 percent of the~~

1 ~~stock of which is owned by one or more minority groups, or whose~~
2 ~~management and daily business operations are controlled by one~~
3 ~~or more members of a minority group, and did so for at least five~~
4 ~~years prior to the certification of the publicly owned business as~~
5 ~~a minority business enterprise.~~ The contracting utility shall
6 presume that minority includes *Asian Pacific Americans, Black*
7 *Americans, Hispanic Americans, and Native Americans;* ~~and Asian~~
8 ~~Pacific Americans.~~

9 (c) “Disabled veteran business enterprise” has the same meaning
10 as defined in *paragraph (7) of subdivision (g) (b) of Section 999*
11 *of the Military and Veterans Code, except that in the case of any*
12 *publicly owned business the board of directors membership shall*
13 *include at least 51 percent disabled veterans, and the executive*
14 *management and daily business operations shall be controlled by*
15 *one or more disabled veterans. The membership of the board of*
16 *directors must consist of at least 51 percent disabled veterans for*
17 *at least five years prior to the certification of a publicly owned*
18 *business as a disabled veteran business enterprise.*

19 (d) “Control” means exercising the power to make policy
20 decisions.

21 (e) “Operate” means being actively involved in the day-to-day
22 management and not merely officers or directors.